GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:484
ANSWERED ON:23.02.2001
NABARD LOAN FOR RURAL SECTOR
SUBODH MOHITE

Will the Minister of FINANCE be pleased to state:

(a) whether the NABARD has set up a Committee to look into various issues concerningrural credit under the Chairmanship of V.S. Vyas;

(b) if so, the details thereof, aiongwith its terms of references;

(c) whether the Committee has submitted its report;

(d) if so, the main recommendations of the Committee; and

(e) if not, time by which the Committee is expected to submit its report ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL) :

(a) and (b) Yes, Sir. National Bank for Agriculture and Rural Development (NABARD)has reported that it has set up a Committee to fook into various issues concerning rural credit under the Chairmanship of Shri V.S. Vyas., Professor Emeritus, Institute of Development Studies, Jaipur The terms of reference and the composition of the Committee are given in the Statement.

(c) to (e) The Committee has been allowed time till June, 2001 for submission of its report.

Statement

Terms of Reference of the Committee on Rural Credit.

i. Structure of the rural credit system and the roles of its major components;

ii. Role of the tiers in co-operative credit system in the context of the need to reduce the cost of credit delivery.

iii. Development policies and support system for effective rural credit;

iv. Strategy to meet gaps in supply of rural credit in relation to development needs of regions, sectors and client groups;

v. Procedural simplifications for borrower friendly effective rural credit;

vi. Administration of financial sector reforms like deregulation of interest rates, application of prudential norms and application of flexible credit instruments;

vii. LegaL framework for recovery and its adequacy.

viii. Any other matter incidental thereto.

Composition of the Committee

Chairman :
Prof. V.S. Vyas, Professor Emeritus, Institute of Development Studies, Jaipur.

Members :

Prof. Abhijit Sen, Ex-Chairman, Commission for Agricultural Costs and Prices, New Delhi. Shri Ashok Bandyopadhyay, Chairman West Bengal State Cooperative Bank Ltd., Calcutta. Shri B. Samal, Chairman and Managing Director, Allahabad Bank Calcutta. Dr. Dayanatha Jha, National Professor, National Centre for Agricultural Economics and Policy Research, New Delhi.Ms. Elaben Bhatt, Chairperson, Self Employed Womens` Association, SEWA, Ahmedabad. Dr. Katar Singh, Director, Institute of Rural Management Anand. Dr. PR. Dubashi, Pune. Dr. RV. Shenoi, Chairman, Agricultural Finance Corporation (AFC), Mumbai.

Member-Secretary:

Shri S.B. `Sharma, Executive Director (Retired). National Bank for Agriculture and Rural Development, Mumbai.